



## SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA-2011-0097]

Rate for Assessment on Direct Payment Fees to Representatives in 2012

AGENCY: Social Security Administration (SSA)

ACTION: Notice

SUMMARY: We are announcing that the assessment percentage rate under Sections 206(d) and 1631(d)(2)(C) of the Social Security Act (Act), 42 U.S.C. 406(d) and 1383(d)(2)(C), is 6.3 percent for 2012.

FOR FURTHER INFORMATION CONTACT: Jeffrey C. Blair, Associate General Counsel for Program Law, Office of the General Counsel, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235-6401.  
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SUPPLEMENTARY INFORMATION: Individuals claiming Social Security benefits or Supplemental Security Income payments may choose to hire representatives to assist them with their claims. If the claim is successful and the individual was represented either by an attorney or by a nonattorney representative who has met certain prerequisites, the Act provides that we may withhold up to 25 percent of the past-due benefits payable on the claim and use that money to pay the representative's approved fee directly to the representative.

When we pay the representative's fee directly to the representative, we must collect from that fee payment an assessment to recover the costs we incur in determining and paying representatives' fees. The Act provides that the assessment we collect will be the lesser of two amounts: a specified dollar limit; or the amount determined by multiplying the fee we are paying by the assessment percentage rate. (Sections 206(d), 206(e), and 1631(d)(2) of the Act, 42 U.S.C. 406(d), 406(e), and 1383(d)(2))

The Act initially set the dollar limit at \$75 in 2004 and provides that the limit will be adjusted annually based on changes in the cost-of-living. (Sections 206(d)(2)(A) and 1631(d)(2)(C)(ii)(I) of the Act, 42 U.S.C. 406(d)(2)(A) and 1383(d)(2)(C)(ii)(I)) The maximum dollar limit for the assessment currently is \$86, as we announced in the Federal Register on October 25, 2011 (76 FR 66111).

The Act requires us each year to set the assessment percentage rate at the lesser of 6.3 percent or the percentage rate necessary to achieve full recovery of the costs we incur to determine and pay representatives' fees. (Sections 206(d)(2)(B)(ii) and 1631(d)(2)(C)(ii)(II) of the Act, 42 U.S.C. 406(d)(2)(B)(ii) and 1383(d)(2)(C)(ii)(II)) Based on the best available data, we have determined that the current rate of 6.3 percent will continue for 2012. We will continue to review our costs for these services on a yearly basis.

Dated: December 8, 2011\_\_\_\_\_

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Michael G. Gallagher  
Deputy Commissioner  
for Budget, Finance and Management.

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